basis of the historical trends of collection and projections of revenue to be generated through new legislative measures.

(d) While allocating the targets to various regions, the past performance of the region and the revenue-potential of the region both are taken into account. The progress made towards achievement of the allocated targets is periodically reviewed by the Government.

Case against CMD Indian Bank

†2826. SHRI PYARELAL KHANDELWAL: Will the Minister of FINANCE be pleased to state:

(a) it is a fact that a case has been filed against Chief Managing Director, Director General and some other officials of Indian Bank under Delhi Zone under sections 409, 467, 471 and 477-A of I.P.C. and summons have also been issued to them by the Court;

(b) if so, what are the full details thereof; and

(c) whether it is a fact that the above officials had committed some irregularities in the term deposit amount of an N.R.I. and what action is being taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) There is no Officer by the designation of Chief Managing Director and Director General in Indian Bank. However, Indian Bank has reported that Shri Mohan Murti Shandilya has filed a complaint before the Magistrate against (i) Indian Bank, HO Chennai (ii) Board of Direcotrs, Indian Bank, Chennai (iii) Shri M.B.N. Rao, Chairman and Managing Director (iv) Shri S.K. Vermani, General Manager, Delhi Circle (v) Shri Y.P. Kohli, Chief Manager, ARM branch, New Delhi (vi) The Chief Manager, East Abiramapuram Branch, Chennai and (vii) The Chief Manager, NDSE branch, New Delhi. The Hon'ble Magistrate has ordered issue of sommons.

(b) Indian Bank has reproted that M/s Rexima Exports Pvt. Ltd., M/s Gambro Nexim (i) Medical Ltd. and M/s Nexim Exports (P) Ltd., promoted by Shri Mohan Murti Shandilya and his wife Smt. Renu Murti Shandilya availed substantial credit facilities of Rs.15.82 crore during 1990. They gave guarantees and also pledged two term deposits for Rs.3.30 crore

†Original notice of the question was received in Hindi.

and Rs. 5.50 crore as security for the loan availed by the companies. The companies defaulted in repayment. Bank adjusted the proceeds of the deposit for Rs. 3.30 crore during 1991 towards partial satisfaction of the amount due from the companies. Later on, Bank took steps for recovery of balance due by filing Recovery Applications befoe DRT Delhi. Enforcement Directorate directed not to allow operations in the deposit account for Rs. 5.50 crore and hence bank did not close the deposit before filing Recocvery Applications.

In 1997, Shri Mohan Murti Shandilya and his wife filed a Writ Petition before Madras High Court to direct the Bank to credit Rs. 10 crore to the Income Tax Authorities and for the refund of the balance amount. In the meantime Enforcement Directorate lifted the Ban and consequently R.B.I. advised the Bank to allow operations as usual. Consequently, Bank adjusted the proceeds of the deposit for Rs. 5.50 crore which totally summed up to Rs. 10.42 crore in 1999 towards partial adjustment in all the three accounts. Madras High Court dismissed the Writ Petition and held that there is no dispute that a lien was created in favour of Indian Bank with respect to the advances made in favour of their Companies. Without disclosing the Madras High Court Judgement, Shri Mohan Murti Shandilya obtained an order in an Interim Application from DRT Delhi directing Bank to pay the notional proceeds of the deposit less the book balance in the loan accounts. Bank filed appeal and obtained stay of the orders in two cases and an undertaking from Shri Mohan Murti Shandilya not to claim payment under the order till the disposal of the appeal. Without disclosing the fact that they have given clear authorization to the Bank to adjust the deposit and without disclosing the fact that the Hon'ble High Court of Madras has decided all points raised in the Writ Petition of which one is "whether the respondent (Indian Bank) in exercise of its lien could set-off the proceeds of NRE Fixed Deposit?" in favour of Indian Bank, Shri Shandilya filed a criminal complaint against Indian Bank and its officials making false and vexatious allegations.

With a view to pressurize Indian Bank to make payment under an order passed in an interlocutory application by DRT, New Delhi which is in appeal before DRAT, New Delhi and which are under orders of stay/which is

undertaken not to be pressed for payment, Shri Mohan Murti Shandilya is adopting serveral tactics and one of such tactics is filing of criminal complaints before the Magistrate.

(c) No, Sir. The officials of Indian Bank have not committed any irregularity in term deposit amount of an NRI. Indian Bank and its officials have taken a right decision to safeguard the interests of the Bank. Appropriation of term deposits amount towards loan liability is a normal practice adopted by Banks and this is judicially accepted, even in cases where the deposits were not specifically givenas security. In this case, the deposits were specifically given as security and the persons have given their personal guarantee. The officials have only done their bounden duty in closing the deposits and appropriating the proceeds to loan account

Assitance to backward districts

†2827. SHRI HARISH RAWAT: Will the Minister of FINANCE be pleased to state:

(a) whether the State-wise districts have been identified wherein the rate of economic development is below the National and concerned State average;

(b) if so, the details of such districts and areas in Uttaranchal;

(c) whether he would extend assistance for the implementation of schemes in such districts on priority basis from out of the backward area funds;

(d) whether any such schemes have been submitted by the State Government of Uttaranchal; and

(e) if so,the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) No classification of districts has

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